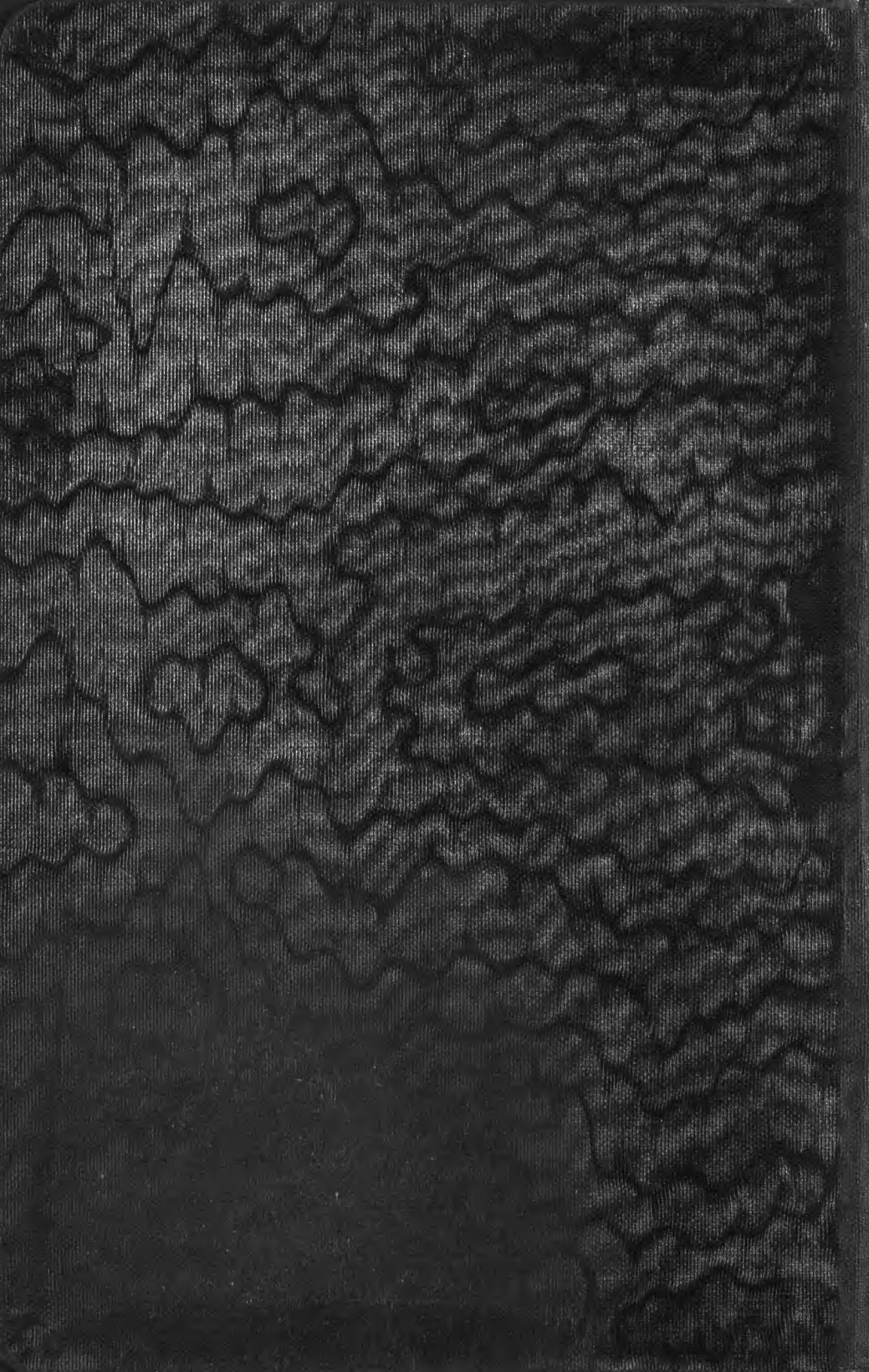


THE
CITY OF EDMONTON
AND
EDMONTON POWER COMPANY
LIMITED



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The City of Edmonton

and

The Edmonton Power Company, Limited

An Act to authorize and confirm a Certain By-law and Agreements authorized thereby, passed by the City of Edmonton.

(Assented to April 17, 1916)

WHEREAS the council of the City of Edmonton, did on the fifteenth day of March, A.D. 1916, duly pass By-law Numbered 18, being entitled "A By-law to authorize the Execution of a Certain Agreement between the City of Edmonton and The Edmonton Power Company, Limited, and also an Agreement between the City of Edmonton and The Alberta Power Company, Limited," authorizing and empowering the mayor and clerk to enter into and execute the said agreements on behalf of the City of Edmonton, a copy of the said by-law being set forth in schedule A hereto;

And whereas the City of Edmonton has in the said agreements agreed to request the Parliament of the Province of Alberta to pass an Act to ratify and confirm the said agreements, a copy of which agreement with the Edmonton Power Company, Limited, is set forth in schedule B hereto, and a copy of the agreement between the City of Edmonton and the Alberta Power Company, Limited, is set forth in schedule C hereto;

Therefore His Majesty, by and with the advice and consent of the Legislative Assembly of the Province of Alberta, enacts as follows:

1. By-law numbered 18 of the City of Edmonton set out in schedule A hereto and the agreement annexed to and forming part of the said by-law, which is set out in schedule B hereto are hereby ratified and confirmed and declared to be valid, legal and binding upon the City of Edmonton and the Edmonton Power

The City of Edmonton

and

The Edmonton Power Company, Limited

An Act to validate and confirm a Certain By-law and Agreements authorized thereby, passed by the City of Edmonton.

(Assented to April 19, 1916.)

WHEREAS the council of the City of Edmonton did ^{Preamble} on the fifteenth day of March, A.D. 1916, duly pass By-law Numbered 678, being intituled "A By-law to authorize the Execution of a Certain Agreement between the City of Edmonton and The Edmonton Power Company, Limited, and also an Agreement between the City of Edmonton and The Alliance Power Company, Limited," authorizing and empowering the mayor and clerk to enter into and execute the said agreements on behalf of the City of Edmonton, a copy of the said by-law being set forth in schedule A hereto;

And whereas the City of Edmonton has in the said agreements agreed to request the Legislature of the Province of Alberta to pass an Act to ratify and confirm the said agreements, a copy of which agreement with the Edmonton Power Company, Limited, is set forth in schedule B hereto, and a copy of the agreement between the City of Edmonton and the Alliance Power Company, Limited, is set forth in schedule C hereto;

Therefore His Majesty, by and with the advice and consent of the Legislative Assembly of the Province of Alberta, enacts as follows:

1. By-law numbered 678 of the City of Edmonton set out in schedule A hereto and the agreement annexed to, incorporated with and forming part of the said by-law which is set out in schedule B hereto are hereby ratified and confirmed and declared to be valid, legal and binding upon the City of Edmonton and the Edmonton Power ^{By-law 678 and agreement ratified and confirmed}

Company, Limited, and the agreement between the City of Edmonton and the Alliance Power Company, Limited, which is set out in schedule C hereto is hereby ratified and confirmed and declared to be valid, legal and binding upon the City of Edmonton and the Alliance Power Company, Limited notwithstanding any want of jurisdiction, power or authority (if any) on the part of the City of Edmonton to pass said by-law or enter into said agreements, and notwithstanding any defect or error in substance or form of the said by-law, and the City of Edmonton is hereby authorized and empowered to do all necessary and proper acts for the full and proper carrying out of the said by-law and agreements.

Application
of previous
Acts

2. Nothing herein contained shall be deemed to amend or repeal the provisions of *The Ordinance respecting Water, Gas, Electric and Telephone Companies*, being chapter 103 of *The Consolidated Ordinances of Alberta*, or the provisions of *The Public Utilities Act*, Statutes of Alberta, 1915, chapter 6.

SCHEDULE A.

BY-LAW No. 678.

A By-law to authorize the Execution of Certain Agreements between the City of Edmonton and the Edmonton Power Company, Limited, and between the City of Edmonton and the Alliance Power Company, Limited.

Whereas the Edmonton Power Company, Limited, requested the City of Edmonton to enter into an agreement with reference to the supply of electric energy by the said Edmonton Power Company, Limited, to the said City of Edmonton;

And whereas the council of the said city passed By-law No. 663 authorizing the execution of the said agreement on behalf of the said city;

And whereas the said council on the twenty-third day of February, 1916, by By-law No. 676 repealed said By-law No. 663;

And whereas since the repealing of said By-law No. 663 certain negotiations have taken place between the city and the said Edmonton Power Company, Limited, and said company has offered to supply electric energy upon terms satisfactory to said council and which terms are embodied in the agreement between the said the Edmonton Power Company, Limited, and the city, hereunto annexed marked "A";

And whereas under the said agreement between the Edmonton Power Company, Limited, and the said city hereto annexed the said Edmonton Power Company, Limited, undertakes to supply electrical energy to the said city within seven years but not earlier than five years after the ratification of this by-law by the Legislature of the Province of Alberta;

And whereas the said municipal council is desirous of entering into an agreement for the supply of electric energy to the said city during the period from the said ratification of this by-law until the said Edmonton Power Company, Limited, commences to supply electric energy to the said city;

And whereas the Alliance Power Company, Limited, is willing to enter into a contract with the said city for the supply of electric energy for such period in the form hereto annexed marked "B";

And whereas the said municipal council deems it expedient that a by-law authorizing the execution of the agreements between the said Edmonton Power Company, Limited, and the City of Edmonton and between the said Alliance Power Company, Limited, and the City of Edmonton be passed;

Now therefore the municipal council of the City of Edmonton, duly assembled, enacts as follows:

1. Upon the execution by the said Edmonton Power Company, Limited, and by the Alliance Power Company, Limited, of the agreements in the forms "A" and "B" respectively annexed hereto, the mayor and clerk are hereby

authorized, empowered and directed for and on behalf of the City of Edmonton to affix the corporate seal of the city thereto.

2. The city clerk upon such execution by The Edmonton Power Company, Limited, and the Alliance Power Company, Limited, respectively, and the city, of the said agreements shall not deliver the said agreements but shall hold the same in escrow until this by-law and both the said agreements shall have been ratified, validated, confirmed and authorized by the Legislature of the Province of Alberta and the deposits of fifty thousand dollars (\$50,000.00) and twenty-five thousand dollars (\$25,000.00) therein provided have been duly made; and within seven (7) days thereafter shall deliver the said agreements.

3. In case this by-law or either of the said agreements shall not be ratified, validated, confirmed and authorized the execution by the city of both of the said agreements shall be cancelled.

Done and passed in council this fifteenth day of March, A.D. 1916.

{ CORPORATE SEAL
OF THE CITY OF
EDMONTON. }

(Signed) W. T. HENRY,

Mayor.

(Signed) CHAS. ED. K. COX,

City Clerk.

SCHEDULE B.

This Agreement made in triplicate this sixteenth day of March, one thousand nine hundred and sixteen.

Between:

The Edmonton Power Company, Limited, of the City of Edmonton, in the Province of Alberta (hereinafter called the "power company"),

Of the First Part,

and

The City of Edmonton (hereinafter called the "city"),

Of the Second Part.

Witnesseth:

1. The power company agrees to sell and deliver to the city, and the city agrees to purchase and take from the power company, for a term of twenty-one (21) years from and after the first day of January, 1923, electric energy of a minimum amount of thirty-five million kilowatt hours (35,000,000) per annum during each year of the contract period:

Provided, however, that if the power development hereinafter referred to shall have been completed before the first day of January, 1923, then the contract shall run from the time when the power company shall be able to deliver power therefrom sufficient for the requirements of the city and the term shall be twenty-one (21) years from the date of the commencement of delivery, which shall not in any case be before the expiration of five years from and after the ratification of this agreement by the Legislature of the Province of Alberta:

Provided further, that if during any year of the contract period the minimum amount of electric energy agreed to be purchased and taken by the city during that year is not taken by the city the amount payable for the electric energy actually taken by the city during such year shall be a sum equal to the amount payable for the minimum amount of electric energy agreed to be purchased and taken by the city during such year under the provisions of this agreement.

2. Upon the completion of the power company's hydro-electric power development and transmission line which it is understood and agreed shall not be later than the first day of January, one thousand nine hundred and twenty-three, the power company will from that date or such earlier date as the power company shall commence to deliver electric energy under the terms of this contract, maintain and operate the city's north side power plant as a reserve during the period of this contract. Such maintenance shall consist in keeping the buildings, plant and apparatus at such north side power station in good operating condition, fire, flood, tempest, the acts of God or other casualties over which the power company has no control excepted, and subject to the provisions hereinbefore or hereinafter contained. The utilities commissioner for the City of Edmonton, or such other person or persons appointed by the city, shall have access to the said north side power plant at all reasonable hours for the purpose of ascertaining whether said maintenance is adequate. In case of any dispute the same shall be referred to arbitration.

3. The city will take and pay for the said electric energy when delivered from the power company's hydro-electric system as measured at the twenty-three hundred (2300) or thirteen thousand (13,000) volt busbars or both in the power company's substation according to the following schedule of rates, viz.:

Consumption in Kilowatt Hours per year	Rate in Cents per Kilowatt Hour
First 35,000,000.....	1.00
Next 10,000,000.....	1.00
Next 15,000,000.....	.95
Next 10,000,000.....	.70
Next 10,000,000.....	.60
Next 10,000,000.....	.55
Next 10,000,000.....	.50
Next 10,000,000.....	.50
For all succeeding.....	.45

Provided and it is hereby agreed that the schedule of rates and prices to be charged the city for the use of power under this agreement shall be first submitted by the power company to the Board of Railway Commissioners of Canada for adjustment and approval on the commencement of

delivery of power from the company's hydro-electric plant under this agreement; and thereafter no rates or prices for power shall be legal or enforceable until such schedule has been so adjusted and approved, nor if they shall exceed the amount fixed by such schedule, and such schedule shall be readjusted and approved by the said board every seven years during the term of this agreement or any renewals thereof.

4. The city shall erect, own, control and maintain the connecting lines consisting of poles, wires and appurtenances required or necessary to transmit the energy herein specified from the substation of the power company to the north side power plant, but the design, cost and method of construction thereof shall be first approved in writing by the power company, and the expense of the original installation of the same shall be borne by the power company.

Such portion of the transmission lines as may be required to be built over the city's property within the city limits shall be erected and owned by the city, but the design, cost and method of construction thereof shall be first approved in writing by the power company, and the expense of the original installation and maintenance of the same shall be borne by the power company.

The power company shall be responsible for all damage arising from or by reason of the said transmission lines being built over, on or upon the property of the city.

In the matter of the operation of the power plant and the construction of the transmission lines as provided by this agreement, it is understood and agreed that the power company shall during the continuance of this agreement act as agents for and on behalf of the city, but at the expense of the power company as set forth in this agreement, and that for the carrying out of this agreement the city will give to the power company at all times free access to all public places under its control and particularly to all such places in, about and around the said north side power plant as are now used in connection therewith, and as are necessary for the operation and proper working of the said plant, and the right to do all such acts, matters and things as shall or may be necessary for the purpose of carrying this agreement into effect, and the city will

not interfere with or obstruct the power company in any way in the due performance and the carrying out of the terms of this paragraph according to the true intent and meaning thereof.

5. If at any time the said north side power plant is damaged or destroyed by or through strike, riot, invasion, fire, floods, act of God, or the King's enemies or any other cause reasonably beyond the control of the power company, not caused by the negligence of the power company, its agents or employees, the power company shall not thereafter be responsible in any way whatever for the said north side power plant, its maintenance or operation, and in case of such damage, or destruction, by any of the reasons aforesaid (not excepted), the power company shall be released from all responsibility for the said north side power plant until the city shall rebuild the said plant and replace it in as good condition as before such damage or destruction.

6. The hydro-electric energy to be supplied under this contract shall be furnished in the form of three phase alternating current at a pressure of approximately twenty-three hundred (2300) volts or approximately thirteen thousand (13,000) volts, or both, hereinafter referred to as normal, and having a frequency of approximately sixty (60) cycles, hereinafter referred to as normal, with a variation of generally not more than five per cent. above or below normal voltage and generally not more than three per cent. (3%) above or below normal frequency, and the wave form of the alternating current shall closely approximate a sine curve.

In the event of proof of the regulation not being as provided for, the power company will install more effective regulation as soon as suitable regulators can be procured after receipt of notice from the city.

7. The power company shall render a service equal to that obtained from a modern hydro-electric power plant, under similar conditions and shall endeavour to maintain normal voltage and frequency.

8. While the power company has agreed to deliver power at either twenty-three hundred (2300) volts or thirteen thousand (13,000) volts, it is understood and agreed that the power company having delivered portions of the power at either voltage shall not be obliged to deliver

the said power at different voltage and thereby put the power company to the expense of new or additional transformers and other appurtenances. The power company shall at least one year before the completion of its plant, notify the city when it will be ready to deliver the energy hereby contracted for and the city shall in writing within sixty (60) days thereafter, notify the power company of the amount of energy that it will require delivered at twenty-three hundred (2300) volts and the amount required delivered at thirteen thousand (13,000) volts. And from time to time thereafter the city shall give the power company due notice in writing, stating the voltage at which additional power is to be delivered, that is twenty-three hundred (2300) volts or thirteen thousand (13,000) volts or both.

9. The power company will deliver the power at slightly increased or decreased voltage to suit the regulation requirement of the city's load.

10. The city on its part will give the power company reasonable notice in writing of the desire of the city to receive electric energy of a slightly increased or decreased voltage.

11. The city will so operate its system that it will at all times maintain ninety per cent. power factor or better, and shall maintain the quantity of load upon the phases so they shall be balanced within five per cent.

12. It is agreed that maintenance by the power company of the agreed voltage at the agreed frequency, subject to any variation hereinbefore or hereinafter mentioned, at the point of delivery, shall constitute the delivery of all power involved herein and the fulfilment of all operating obligations hereunder, and that when voltage and frequency are so maintained, the amount of power, its fluctuations, power factor, distribution as to phases and all other electric characteristics and qualities are under the sole control of the city, its agents, customers, apparatus, appliances and circuits.

13. The hydro electric energy to be supplied under this contract shall be delivered to the city at the outgoing terminals of the power company's substation, unless the city arranges to install a switchboard in the said substation, in which case the energy shall be delivered to the busbars of the city's switchboard. Inasmuch as

the power company has agreed to locate its substation in close proximity to the city's north side power plant for the convenience of the city, the city shall provide the land required by the power company for that purpose and also such land as will be required for that portion of the transmission line referred to in paragraph 4.

14. The power company shall in no case be liable or responsible for any accident, loss or damage to persons or property resulting, arising or accruing in any way from action, effect or use of the electric energy after the same has been delivered to the city at the point and in the manner herein specified.

15. The electric equipment in said substation and north side power plant may be daily inspected by the electrical engineer of the city or other person or persons appointed for that purpose, in order to ascertain whether the power company is maintaining its equipment in the substation and in the city's north side power plant at all times in proper operating condition, and to this end the city shall immediately notify the power company in writing of any defect in the same or details thereof requiring attention. Such inspection by the representative of the city shall be deemed and held to be voluntary aid to the power company involving no responsibility on the part of the city for the condition and operation of the said apparatus.

16. The aforesaid electric energy shall be furnished from power to be generated from a water power development situated on the North Saskatchewan River and will be transmitted to the power company's substation by means of two transmission circuits. The power company shall not be liable for any loss or damage or be subject to any claim for loss or damage in respect to interruptions or diminutions excepting as provided in paragraph 18 hereof and provided the power company take all reasonable precautions to guard against interruptions and in case of the occurrence of an interruption make the necessary repairs with all reasonable dispatch.

17. If at any time during the continuance of this agreement the operation or the work of either party is suspended owing to war, rebellion, serious epidemic, or other causes of like nature beyond the control of either party, the party whose operations are so suspended shall not be

liable to the other under this contract until such time as the cause of such suspension has been removed; provided that each of the parties shall take all reasonable precautions and adopt all reasonable measures and the party whose operations are interfered with shall use all reasonable diligence to remove the cause of such suspension.

18. If and so often as any interruption shall occur in the service of the power company due to any cause or causes other than hereinbefore or hereinafter provided for, the power company shall pay to the city as liquidated and ascertained damages and not by way of penalty, for any such interruption double the amount payable for energy which should have been delivered during the time of such interruption, and all moneys payable under this paragraph, when the amount thereof is settled between the parties, may be deducted from the moneys payable by the city to the power company under this agreement.

19. The power company will establish and maintain an adequate and reliable means of telephone communication between the hydro-electric power plant of the power company and its substation. Such means of communication must be established in the best possible manner so as to make it thoroughly reliable in the event of an emergency.

20. The power company shall render bills within the first five (5) days of each calendar month for the electric energy used during the previous month. Payment of all such bills for the electric energy so used by the city shall be made at the Edmonton office of the power company on or before the fifteenth day of the month following the end of each calendar month. Such payments shall be made promptly as herein provided without deduction, other than as expressly provided for in this contract, and shall be based on the readings as taken on the last day of each month from the power company's meters for measuring such energy. Before the fifteenth day of January in each year the total amount used in the preceding year shall be ascertained. If the said amount used be less than the guaranteed minimum for that year, the difference shall be determined and a bill rendered therefor, which shall be paid within ten (10) days of the receipt of the account by the city. Until the power company installs

its own meters in the city's north side power plant, the meters now in use shall be used to measure the said energy.

21. Meters to record the proper use and amount of energy used and to be paid for as provided in this agreement shall be installed by and at the expense of the power company in its substation. The meters shall be of the most approved type which in the judgment of the electrical engineers engaged by them will record the number of watts used by the city with the smallest error of any commercial meter obtainable.

22. The meters for the measurement of the electric energy to be supplied under this contract may at any time upon the request of either of the parties hereto and after ten days' notice in writing to the opposite party, be tested or calibrated by some competent person to be named and appointed by the parties hereto. In case the said meter or meters are found true and accurate within two per cent. (2%), the expense of the test shall be borne and paid for by the party giving such notice. In the event of the said meter or meters being found not accurate within the limits aforesaid or a new meter or meters substituted therefor, the expense of tests and repairs or of such new meter or meters shall be borne and paid for by the power company.

23. In the event of meters being found inaccurate, the bill for electric energy supplied by the power company during the month last preceding such test shall be corrected in proportion of the error of the meter, provided such error exceeds the aforesaid limit of two per cent. (2%), and such correction shall be accepted by both parties to this contract as settlement in full of all claims arising out of any inaccuracy of the meters for that month. Meters may be installed by the city for the purpose of checking the aforesaid meters if the city so desires.

24. All claims and counterclaims arising under this contract which the city may have or claim to have against the power company shall be made to the latter in writing on or before the fifteenth day of the month following the end of each month and shall be final for all claims that may have arisen during that month. If any such claims shall not be allowed by the power company, or if any

claims shall be made by the power company against the city, which the city shall not allow, the parties hereto agree to submit the same to arbitration as hereinafter provided.

25. It is expressly understood and agreed by the parties hereto that the essence of this contract is quality and continuity of service by the power company to the city, and that the power company will furnish a standard of service which shall be equal to that obtainable in the most modern hydro-electric plants of like capacity and under similar conditions at the date of this contract.

26. The power development will be designed and built by engineers having at least twenty (20) years' experience in this line of work, and who are and have been connected with some of the largest and most successful hydro-electric power developments on this continent. The design of hydro-electric power development and substations with apparatus contained therein, and transmission lines connecting said hydro-electric power development and substation shall be in accordance with, and equal to that employed in the design and construction of the most modern and successful hydro-electric power development plants of this date.

27. The transmission line or lines as above stated shall be of modern design, the wires being carried on steel towers or steel poles.

28. The power company shall have the right to employ at the power company's own expense, a thoroughly qualified, competent expert to manage a business getting campaign for the city, from the date of this contract. The power company's said expert in addition to managing the business getting campaign shall also make an investigation as to rates and draw up a schedule of same, subject to the approval of the city council, or its duly authorized representative.

29. During the period covered by this contract or extension thereof, the power company shall not directly or indirectly supply electric energy to any other municipality, person, firm or corporation at a lower rate than the power company sells to the city without the consent of the city or of the Board of Public Utility Commissioners of the Province of Alberta, and any breach of this article

shall automatically reduce the price paid by the city to the rate charged to the consumer in question.

30. All energy required or used by the city during the term of this contract shall be taken from the power company's system in the form of electric energy, unless the city should demand additional energy from the power company, and the power company be unable within a reasonable time to supply the same from its hydro-electric system. By "a reasonable time" it is intended that the power company shall be allowed sufficient time to make a new development, build storage dams, or do any other work necessary to furnish such additional energy. In case the power company fails to furnish such additional energy within such time the city may obtain additional energy from any other source. Before disposing of the last two thousand (2,000) horse power capacity of the power company's plant or plants the power company shall offer the same to the city and the city shall have two years (2) within which to accept the same or any portion thereof. Should the city not accept within the time specified, the power company may dispose of such part thereof as is not ordered by the city.

31. This contract is merely an undertaking to supply and to receive and pay for electric energy as between the power company and the city, and nothing herein shall be taken to imply that the power company is granted any rights or privileges with regard to the distribution of electric energy within the city as now existing or as it may be hereafter extended. Provided, however, that in the event of the limits of the city being extended and the power company having any agreements for the supply of electric energy, within the territory thereby incorporated within the city, the city shall have the option for ninety (90) days after the limits are so extended to assume and take over any such agreements upon the terms and conditions contained therein, but if such option is not exercised within the time above mentioned the said agreement shall not be affected or invalidated by anything herein contained.

It is further agreed that nothing herein contained shall be construed to prevent or interfere with the right of the city to sell energy outside the limits of the city in so far as it is by law authorized so to do.

32. Notwithstanding there may be differences between the parties hereto as to the supply or sufficiency of the said energy, or the payment thereof or any other questions whatsoever, which may arise under this agreement, the power company shall deliver and the city shall pay therefor and both parties shall continue to carry out the contract notwithstanding such differences and when the matters which may be so in issue shall be finally determined by the reference to arbitration in the manner provided for herein, the parties shall deal with such matters according to the terms of the award which may be made upon such reference, it being the distinct agreement between the parties that there shall not be during the period of this agreement any stoppage or cessation in the supply of the said energy or the payments therefor, but the same shall be continued as if there were no such differences.

33. Upon the termination of this agreement the power company shall have a reasonable time to remove from the property of the city all its plant or other property and for such purpose shall have the right to go upon the property of the city.

34. The power company agrees that in all construction work undertaken by it either directly or by such person or company as may contract for the supply of labour or material in connection with the undertakings of the power company that the same working conditions will prevail regarding the wages and hours per day pertaining to all labour employed as prevails from time to time in the Province of Alberta as a "fair wage schedule," and in case of any kind of labour not provided for in such schedule, the rates of wages and hours per day shall be determined by the Department of Labour.

It is agreed that skilled and unskilled labour resident of Edmonton so far as it is possible, having regard to the efficiency of the work to be done shall be given the preference of employment.

The power company, so far as is possible having regard to the efficient operation of the city's steam plant, will employ residents of the City of Edmonton and will observe the fair wage schedule in force in the City of Edmonton from time to time in regard to construction inside the

city and maintenance, operation and other employment at the said city's north side power plant.

35. In the event of any difference or dispute arising out of this agreement during the continuance thereof or extension thereof between the parties hereto, every such difference or dispute shall (unless the parties hereto shall agree to submit any particular dispute or difference to a sole arbitrator) be referred to a board of arbitrators, one to be appointed by each party and the third by the two so appointed, but if they cannot agree upon such third arbitrator within ten (10) days, then the appointment shall be made by the chief justice of the Province of Alberta for the time being.

The decision of a majority of such board shall be final and binding upon both parties and the arbitration shall be under the provisions of *The Arbitration Act* or other law governing arbitration in force in Alberta.

Provided that the provisions of this clause shall not be deemed to oust the jurisdiction of the Board of Railway Commissioners of Canada or the Board of Public Utility Commissioners of Alberta in regard to any matters over which either of them have jurisdiction.

36. Provided the city by writing to be served in the same manner as process of a superior court in the Province of Alberta may then be served, notifies the power company at least two years before the expiration of the said contract term of twenty-one years, the city shall have the right to such of the following options as such writing specifies:

1st. To buy out the power company as provided for in paragraph thirty-seven hereof;

2nd. To terminate this contract, such termination to take effect at the end of twenty-one years from the time when the power company shall be able to deliver power as hereinbefore provided;

3rd. To renew this contract for a further period of five years, beginning with the expiration of said period of twenty-one years.

In case the city fails to exercise any one of the said options on or before the time above limited and carry out the same according to the terms of this agreement, this contract shall be automatically renewed for a further period

of five (5) years from the expiration of said period of twenty-one years.

37. In the event of the city exercising its option to purchase, the city may purchase and upon payment of a fair valuation to be ascertained as hereinafter mentioned, take over to itself the property, plant, transmission lines, substations, assets, contracts and obligations of the power company in their entirety, such valuation to be the actual value thereof as a going concern plus ten per cent. not to include value for franchise or value based on earnings or good will and making to the city due allowances for deterioration, wear and tear; also all other proper allowances, provided, however, that before the city shall have the authority to acquire the said plant or property, the question of such acquisition shall be submitted to and approved by the qualified burgesses of the City of Edmonton or in such other manner as may be required by the provision of the law applicable thereto in force at that time.

The valuation of the property of the power company to be so purchased and taken over shall be fixed by three arbitrators, one to be appointed by the city, one by the power company, and these two shall select a third arbitrator. In the event of the two aforesaid arbitrators failing to agree upon a third arbitrator within a reasonable time, the chief justice of Alberta shall choose the third member of the arbitration board, and the decision of a majority of such arbitration board shall be final and binding and the property aforesaid of the power company shall become the property of the city upon payment by the city to the power company of the amount of the valuation as so decided. Such arbitration shall be concluded at least one year before the termination of said period of twenty-one years and a by-law for raising the amount of the award shall be submitted within three months thereafter, and if the by-law is assented to or ratified such payment shall be made to the power company on or before the termination of this contract, otherwise the right of the city to purchase shall cease and determine, and the city shall pay all the costs of and incidental to the arbitration.

38. The power company agrees that it will on or before the first day of January, 1917, proceed with the construction work necessary for the carrying out of its undertakings

which includes a railway from a point at or near the City of Edmonton to the site of the power development, and will for that purpose expend the following minimum sums:

During the first thirty months following the coming into force of this agreement approximately \$1,500,000.

During the next two years approximately \$2 000,000.

During the succeeding term of the contract the balance required to complete the work, unless the power company is prevented from proceeding with the said work by reason of the act of God or the King's enemies, floods, accidents, serious epidemic or other cause or causes reasonably beyond the control of the power company.

39. Within thirty days after this agreement has come into force and has been executed by the city, the power company shall deposit with the city treasurer the sum of fifty thousand dollars (\$50,000), which shall be retained by the city as a security and guarantee that the power company will commence its construction operations on or before the first day of January, 1917, and for the substantial compliance with the term of section 38 hereof. Provided that notwithstanding the ratification of this agreement by the Legislature the same shall be of no force or effect unless the said sum shall have been deposited as aforesaid.

In the event of the power company failing to commence its construction operations on or before the first day of January, A.D. 1917, or to substantially comply with the terms of section thirty-eight (38) hereof, or any one or more of them, then in case of default in either or any case (time being of the essence) the power company shall as liquidated and ascertained damages forfeit to the city the said sum of fifty thousand dollars (\$50,000) less accrued interest as hereinafter specified.

The city shall allow interest at the rate of six per centum (6%) per annum on the said deposit of fifty thousand dollars (\$50,000); said interest to be paid semi-annually and calculated from the date of deposit.

Upon the power company having commenced its operations and having substantially complied with the provisions of section thirty-eight (38), the city shall return to the power company the said sum of fifty thousand dollars (\$50,000) with accrued interest thereon.

And the power company shall at the request of the city render a certified statement of the amount expended at the expiration of each of the said periods and in case the city disputes any such statement the power company will permit an independent chartered accountant (to be agreed upon by the parties hereto) to verify the same.

40. The power company hereby further covenants, promises and agrees with the city that it will by the first day of January, one thousand nine hundred and twenty-three, have constructed and completed a hydro-electric power development plant on the Saskatchewan River capable of developing the energy agreed to be delivered under the terms of this agreement together with the transmission lines necessary to deliver energy as provided herein. Provided always that in the event of the power company being delayed in the completion of the said hydro-electric power development plant by reason of the act of God, the King's enemies or such other cause or causes reasonably beyond the control of the power company, the power company shall be entitled to a reasonable extension or extensions of time for the completion of the same.

And it is further understood and agreed if the power company shall so fail to have said plant completed within the time above limited (time being of the essence) the power company shall in addition to the penalties provided in paragraph thirty-nine (39) hereof, further forfeit all its rights and privileges herein contained, and this agreement shall upon the passing of a resolution of the city council so declaring be determined and ended.

41. The power company will apply to the Legislature of the Province of Alberta at its present session for an enactment by the Legislature to ratify and confirm this agreement, and the city agrees to request the Legislature to pass the necessary Act, it being understood that the expense of such application and of all other expenses in connection with the securing of the said legislation shall be borne by the power company. The ratification of this agreement by said Legislature shall not in any way be deemed to amend or repeal *The Public Utilities Act*; and this agreement shall not come into effect until after such ratification.

42. The expression "energy" where used in this agreement (without limiting the meaning thereof) shall mean and include all electric energy or power required or used by the city in operating all its public utilities or services and energy or power disposed of or sold by the city to any users or consumers thereof, but shall not include energy used for or in connection with any incinerator or temporary service, such as portable concrete mixers or any installation in any small machine shop or the like near the outskirts of the city.

43. The power company shall take over such of the city's coal, oil, waste, packing, and other necessary supplies at the city's north side power plant as the power company requires after an inventory and appraisal shall have been made by the parties hereto, so soon as the power company shall take over the city's north side power plant under the provisions herein contained and shall pay for same such sum as may be agreed upon, and in case of dispute the matter shall be referred to arbitration as hereinbefore provided.

44. During the term of this contract or until such time as the city shall install electric-driven pumping machinery for all low lift pumps for pumping water required for supplying the waterworks department of the city or until the waterworks location is changed if such change takes place before the expiration of this contract, the power company shall at all times maintain the said north side power plant so that it shall be able to deliver steam to operate the low lift pumps within one hour after an emergency to the hydro electric power system such as to interfere with this service, or in case the city's present electric driven pumps in the present pumping plant are disabled. Provided, however, that the said electric pumping machinery is maintained in good working order.

The steam to be supplied shall be measured in the city's north side power plant by means of the most approved type of meters suitable for the purpose or by any other suitable method, if there be such, and shall be paid for by the city at cost plus ten per cent. (10%) payable monthly on the fifteenth day of each and every month, such cost to be decided and fixed by the Board of Public Utility Commissioners of the Province of Alberta.

The meter for the measurement of the steam to be supplied under this contract may at any time upon the request of either of the parties hereto and after ten days' notice in writing to the opposite party, be tested or calibrated by some competent person to be named and appointed by the parties hereto.

The water required by the power company for make-up or feed water in its boilers shall be supplied by the city from its present pumping plant at cost plus ten per cent.

Such water as is required by the power company for condensing purposes, and is not returned to the city's settling basin, shall also be paid for at cost plus ten per cent.; provided always that if at any time and from time to time the superintendent of the city's waterworks system shall be of opinion that the return water is unduly raising the temperature of the water in the settling basin he shall have the right to direct the power company to divert the return water and the power company agrees to carry out such directions.

In the event of the location of the present pumping plant being changed the power company shall supply its own water necessary for condensing purposes.

The aforesaid water supplied by the city to the power company shall be measured by suitable meters installed by the city and such water shall be paid for monthly to the city on the fifteenth day of each and every month.

45. This agreement shall extend to and be binding upon and enure to the benefit of the respective successors and assigns of the parties hereto.

In witness whereof the city has hereto caused its corporate seal to be affixed in the presence of the mayor and clerk and the company has hereunto caused to be affixed its corporate seal in the presence of its proper officer or officers.

The corporate seal of the
City of Edmonton was
hereunto affixed in the
presence of

W. T. HENRY,
Mayor.
CHAS. ED. K. COX,
Clerk.

{ SEAL OF THE
CITY OF EDMONTON }

The corporate seal of The Edmonton Power Com- pany, Limited, was here- unto affixed in the pres- ence of	}	THE EDMONTON POWER COMPANY, LIMITED. G. W. FARRELL, <i>President.</i>
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{ CORPORATE SEAL OF THE }
{ EDMONTON POWER CO., LTD. }

SCHEDULE C.

Memorandum of Agreement made and entered into this
sixteenth day of March, in the year of our Lord one
thousand nine hundred and sixteen.

Between:

Alliance Power Company, Limited, having its regis-
tered office in the City of Edmonton, hereinafter
called "the company,"

Of the first part,

and

The City of Edmonton, hereinafter called "the city,"

Of the second part.

Witnesseth:

1. The company agrees to generate, sell and deliver to the city and the city agrees to purchase and take from the company all electric energy required and used and as required by the city and all other consumers and users thereof within the city purchasing their electric energy from the city. The company agrees to sell and deliver to the city and the city agrees to pay for the said electric energy at the rate of one cent (1c) per kilowatt hour, measured at the point of delivery by meters to be supplied by the city and maintained by the company and to comply with the government regulations from time to time in force. The term of this contract shall be five years from and after the ratification of this agreement by the Legislature of the Province of Alberta; provided, however, that the city may at its own option extend this agreement

until such time as The Edmonton Power Company, Limited, commences to deliver energy under the agreement between it and the city bearing even date herewith.

2. The electric energy to be supplied under this contract shall be furnished in the form of three phase alternating current at a pressure of approximately twenty-three hundred (2300) volts, hereinafter referred to as normal, and having a frequency of approximately sixty (60) cycles, hereinafter referred to as normal, with a variation of generally not more than five per cent. (5%) above or below normal voltage and generally not more than three per cent. (3%) above or below normal frequency, and the wave form of the alternating current shall closely approximate a sine curve; and direct current as the city so desires and in the proportion of each as the city may demand.

The energy to be supplied hereunder shall be delivered at the north side power plant of the city at the standard potentials now in use in the said north side power plant, or at such other point within the city as may be mutually agreed on between the city and the company, or at both points.

3. As soon as possible but not later than three months after the execution and ratification hereof, the company shall take over the north side power plant (including railway spur and all buildings and residences for employees used in connection therewith) of the city and until the termination of this agreement shall maintain same in good repair, damage by flood only excepted, against which the company agrees to use all reasonable precautions, and shall have the right of converting the existing plant and replacing and adding thereto from time to time such machinery and equipment as the company may deem advisable, and generate at the said plant the whole or such portion or portions of the electric energy to be supplied hereunder as it may deem advisable; provided, however, that no alterations, extensions, additions or removals shall in any way decrease the efficiency or capacity of the city's plant, and any machinery removed shall still remain the property of the city. Such maintenance shall consist in keeping the buildings, plant and apparatus at such north side power station in good operating condition, ordinary wear and tear or the act of God excepted, and subject

to the provisions hereinbefore or hereinafter contained. And the company further agrees to turn over to the city at the termination of this agreement any additional machinery or plant placed or installed by it in the said power plant free of cost to the city, and the whole plant in as good condition as it was when taken over by the company, ordinary wear and tear and damage by flood or fire excepted. The electric equipment in said power plant may be at any time inspected by the city in order to ascertain whether the company is maintaining its equipment in said plant at all times in proper condition. As soon as possible after the ratification hereof an inventory appraisal and a determination of the capacity and commercial efficiency of the north side power plant shall be made by the parties hereto jointly and in the event of the parties failing to agree thereon or on any portion thereof the parties agree to submit to arbitration as provided in clause 13 hereof. The company shall take over such of the city's coal, oil, waste, packing and other necessary supplies and parts at the city's north side power plant as the company require after the inventory and appraisal as hereinbefore provided are made and shall pay for the same such sum as may be agreed upon, and in case of dispute the matter shall be referred to arbitration as provided in clause 13 hereof.

4. On the termination of this agreement the city shall take over such of the company's coal, oil, waste, packing and other necessary supplies and parts at the said north side power plant on the terms and conditions set forth in the immediately preceding clause.

5. During the currency of this agreement or until such time as the city shall install electric driven pumping machinery for all low lift pumps for pumping water required for supplying the waterworks department of the city the company shall furnish steam from the city's present north side power plant for the operation of the present steam driven pumps in a like manner as is now being done in their present location, which steam shall be paid for by the city at cost plus ten per cent., payable monthly on the fifteenth day of each and every month. The steam to be supplied shall be measured in the city's north side power plant by means of the most approved type of meters suitable for the purpose or by any other suitable method if there be such. The meters for the measurement of the

steam to be supplied under this contract may at any time upon the request of either of the parties hereto and after ten days' notice in writing to the opposite party, be tested or calibrated by some competent person to be named and appointed by the parties hereto. The water required by the power company for make up or feed water in its boilers shall be supplied by the city from its present pumping plant at cost plus ten per cent. Such water as is required by the company for condensing purposes, and is not returned to the city's settling basin, shall also be paid for at cost plus ten per cent. In the event of the location of the present pumping plant being changed the company shall supply its own water necessary for condensing purposes. The aforesaid water supplied by the city to the company shall be measured by suitable meters installed by the city and such water shall be paid for monthly to the city on the fifteenth day of each and every month.

6. The city hereby grants to the company the full power, right and liberty to put down, take up, relay, connect, disconnect, repair, maintain and operate a gas pipe line along, through or under the streets, squares, highways, lanes, alleys, grounds, bridges, parks, thoroughfares and other public places within the limits of the city as may be necessary or convenient for the purpose of supplying and conducting natural gas from the city limits to the said north side power plant for use in said north side power plant, and the company is to that end authorized to enter upon any and all the said places and to break at its own expense the surface and to make the necessary excavation thereon when and where the same may be required for the aforesaid purpose, and to do all other things reasonably necessary or convenient for this purpose, to the satisfaction of the city engineer or such other officer as may be appointed by the council of the city for that purpose. The company shall pay the city for all damages to the works of the city and for all changes or alterations in the works of the city caused or necessitated by the works of the company.

7. The meters for the measurement of electric energy to be supplied under this contract may at any time upon the request of either of the parties hereto and after ten days' notice in writing to the opposite party, be tested or calibrated by some competent person to be named

and appointed by the parties hereto. In case the said meter or meters are found true and accurate within two per cent. (2%) the expense of the test shall be borne and paid for by the party giving such notice. In the event of the said meter or meters being found not accurate within the limits of two per cent. (2%) either way, such meter or meters shall be repaired and made accurate within the limits aforesaid, or a new meter or meters substituted therefor, and the expense of the tests and repairs or of such new meter or meters shall be borne and paid for by the company.

8. In the event of meters being found inaccurate, the bill for electric energy supplied by the company during the month last preceding such test shall be corrected in the proportion of the error of the meter, provided such error exceeds the aforesaid limit of two per cent. (2%) and such correction shall be accepted by both parties to to this contract as settlement in full of all claims arising out of any inaccuracy of the meters for that month. Meters may be installed by the city for the purpose of checking the aforesaid meters if the city so desires.

9. It is further agreed that nothing herein contained shall be taken to imply that the company is granted any rights or privileges with regard to the distribution to consumers other than the city of electric energy within the city as now existing or as it may hereafter be extended.

10. If at any time during the continuance of this agreement, the operations of either party are suspended owing to war, rebellion, serious epidemic, or other causes of like nature beyond the control of either party, the party whose operations are so suspended shall not be liable to the other under this contract until such time as the cause of such suspension has been removed; provided that each of the parties shall take all reasonable measures and the party whose operations are interfered with shall use all reasonable diligence to remove the cause of such suspension.

11. The company shall render bills within the first five (5) days of each calendar month for the electric energy so used during the previous month. Payment of all such bills for the electric energy so used by the city shall be made at the Edmonton office of the company on or before the fifteenth day of the month following the end of each

calendar month. Such payments shall be made promptly as herein provided without deduction, other than as expressly provided for in this contract, and shall be based on the readings as taken on the last day of each month from the company's meters for measuring such energy.

12. If and so often as any interruption shall occur in the service of the company due to any cause or causes other than hereinbefore or hereinafter provided for, the company shall pay to the city as liquidated and ascertained damages and not by way of penalty, for any such interruption double the amount payable for energy which should have been delivered during the time of such interruption, and all moneys payable under this paragraph, when the amount thereof is settled between the parties, may be deducted from the moneys payable by the city to the company under this agreement.

13. All claims, counterclaims, disputes and disagreements, arising under this contract which either party may have or claim to have against the other shall be made in writing on or before the fifteenth day of the month following the end of each month, and shall be final for all claims that may have arisen during that month. If any such claims shall not be allowed by the company, or if any claims shall be made by the company against the city, which the city shall not allow, the parties hereto agree to submit the same to arbitration under the provisions of the laws with respect to arbitration in force in the Province of Alberta, and no claims for breach of any covenant herein contained shall entitle the company to discontinue the supply of electric energy hereunder but notwithstanding any such claims or breach the parties shall carry out the agreement and the claims shall be settled by arbitration as aforesaid.

14. It is expressly understood and agreed by and between the parties hereto that the company will furnish a standard of service at least equal to the present service and the company shall endeavour to maintain normal voltage and frequency. The city will so operate its system that it will at all times endeavour to build up a load factor to the highest possible point and at all times maintain eighty-five per cent. power factor or better and shall maintain the quantity of load upon the phases so that they shall be balanced within five (5) per cent.

15. The company agree to observe the same working conditions in regard to employees of the company as are established from time to time by the city as a fair wage schedule for similar service employment and in case of any kind of employment not coming under such fair wage schedule then the rates of wages and the hours per day shall be determined by the fair wage officer of the Department of Labour of Canada.

16. Within thirty days after the coming into force of this agreement the company shall deposit with the city treasurer the sum of twenty-five thousand dollars (\$25,000.00), which shall be retained by the city as a security and guarantee that the company will carry out and perform its covenants herein contained. The city shall forthwith on the termination of this agreement repay the said sum of \$25,000.00 to the company. Provided that notwithstanding the ratification of this agreement by the Legislature the same shall be of no force or effect unless the said sum shall have been deposited as aforesaid.

17. In the event of the company failing to commence its operations within the time hereinbefore specified (time being of the essence) or to substantially comply with the terms of this agreement, the company shall as liquidated and ascertained damages forfeit to the city the said sum of twenty-five thousand dollars less accrued interest.

18. The city shall allow interest at the rate of six per centum (6%) per annum on the said deposit of twenty-five thousand dollars (\$25,000.00); the said interest to be paid semi-annually and calculated from the date of deposit.

19. The city agrees to request the Legislature of the Province of Alberta to ratify and confirm this agreement, it being understood that the expense of such application and of all other expenses in connection with the securing of the said Legislation shall be borne by the company. The mayor and the city clerk are hereby authorized to affix the seal of the city to any and all petitions necessary to secure such enactment.

20. All machinery connected with the city's pumping plant capable of being repaired in the machine shop in the said north side power plant shall be so repaired by the company and such repairs shall be paid for by the city on the basis of the cost of time and material plus ten per cent.

21. The arc light apparatus and switchboard shall be considered as part of the north side power plant and shall be operated by the company at its own expense.

22. The expression "electric energy" where used in this agreement (without limiting the meaning thereof) shall mean and include all electric energy or power required or used by the city in operating all its public utilities or services and energy or power disposed of or sold by the city to any users of or consumers thereof.

23. The company shall neither sublet nor assign this agreement without the consent of the city being first obtained in writing.

24. This agreement shall extend to and be binding upon and enure to the benefit of the respective successors and assigns of the parties hereto.

In witness whereof the city has hereto caused to be affixed its corporate seal in the presence of the mayor and clerk, and the company has hereunto caused to be affixed its corporate seal in the presence of its proper officer or officers.

CITY OF EDMONTON.

W. T. HENRY,

Mayor.

CHAS. ED. K. COX,

City Clerk.

ALLIANCE POWER COMPANY, LIMITED.

W. M. McPhail,

President.

D. L. REDMAN,

Secretary.



